

PROPOSED

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File No. 0054

Ms. Anna Skrobecki
Senior Vice President,
Factory and Power Plant Operations
Puunene Mill
Hawaiian Commercial & Sugar Company
P.O. Box 266
Puunene, Hawaii 96784

Dear Ms. Skrobecki:

SUBJECT: Amendment to Covered Source Permit (CSP) No. 0054-01-C
Application for Minor Modification No. 0054-09
Hawaiian Commercial & Sugar (HC&S) Company, Puunene Mill
Two (2) 212 MMBTU/hr Biomass/Oil/Coal Boilers with Multicyclone and
Venturi Wet Scrubber System, One (1) 568 MMBTU/hr Biomass/Oil/Coal
Boiler with Multicyclone and Venturi Wet Scrubber System,
One (1) 20,000 lb/hr Rotary Sugar Dryer with Wet Scrubber, and
Eight (8) Diesel Engines
Located At: Puunene, Maui
Date of Expiration: November 2, 2020

In accordance with Hawaii Administrative Rules, Title 11, Chapter 60.1, and pursuant to your application for administrative amendment and a minor modification received on December 1, 2015, and December 28, 2015, respectively, the Department of Health hereby amends Covered Source Permit No. 0054-01-C, issued to HC&S on November 3, 2015.

The following amended permit conditions supersedes the corresponding permit conditions of CSP No. 0054-01-C issued on November 3, 2015:

1) Attachment IIA, Special Condition No. D.4:

4. Specification (Spec) Used Oil

- a. The following permit conditions associated with the use of spec used oil may be revised at any time by the Department to reflect federal or state promulgated rules on spec used oil.

- b. This permit does not release the permittee from compliance with all applicable state and federal rules and regulations on the handling, transporting, storing, and burning of spec used oil.
- c. For in-house facility spec used oil, the used oil shall consist of lubricating oil, diesel fuel, kerosene, hydraulic oils, grease, and non-PCB transformer mineral oil.
- d. Composite samples of used oil generated in-house shall be taken monthly prior to burning in the boiler. The composite samples shall be taken in a manner such that the sample is representative of all the used oil in the batch stored at that time. The sample shall represent no more than 7,500 gallons of used oil, or all of the used oil collected in any one (1) month period, whichever is less. Prior to the used oil being burned in the boilers, each sample shall be tested by an independent, qualified laboratory, and an analysis obtained for the constituents/properties for which limits are indicated in Table 2 below. Additional used oil may be added to the batch provided that:
 - i. Spec used oil in the spec used oil tank is retested after the addition of untested used oil; or
 - ii. The holding tanks or drums of untested used oil are tested prior to addition to the spec used oil tank, and results meet the requirements of Table 2 below.
- e. For each batch of commercially obtained spec used oil received, HC&S shall obtain a report of analysis of a representative sample of the spec used oil conducted by an independent, qualified laboratory, including at a minimum, all of the constituents/properties for which limits are indicated in Table 2. Spec used oil received from commercial sources shall not be blended with in-house facility spec used oil unless both batches of oil have been tested and meet the requirements of Table 2. Boilers 1, 2, and 3 may burn commercially or in-house used oil.
- f. The constituents/properties of the spec used oil shall not exceed the following limits:

TABLE 2 – SPECIFICATION USED OIL	
Constituent/Property	Allowable Limit
Arsenic	5 ppm maximum
Cadmium	2 ppm maximum
Chromium	10 ppm maximum
Lead	100 ppm maximum
Total Halogens	1,000 ppm maximum
Sulfur (% by weight)	0.5%
Flash Point	100 °F minimum
PCB	less than 2 ppm

- g. HC&S shall not burn, but properly dispose of the used oil if declared or determined to be a hazardous waste, or if the analysis of the used oil exceeds the limits specified in Table 2 above and is declared off-specification. The contaminated hazardous oil in containers shall be identified and isolated from the non-contaminated containers. In no case, shall any used oil that has not been tested and verified by an independent laboratory analysis or as provided in this attachment, Special Condition No. D.4.h, to meet the spec used oil requirements in Table 2 above, be added to the blend tank and burned.
- h. If fuel blending with fuel oil no. 2 is used to meet the requirements of Table 2 above, an independent certified laboratory shall retest or perform calculations to verify that the blended fuel meets these requirements. Used oil fuel blended with fuel oil no. 2 and meeting requirements of Table 2 is considered spec used oil.
- i. The maximum quantity of spec fuel oil fired at the Puunene Mill shall be 2,000,000 gallons on a rolling twelve-month (12-month) basis. HC&S shall continue to maintain records of how many gallons of spec used oil are burned individually in Boilers 1, 2, and 3.

(Auth.: HAR §11-60.1-3, §11-60.1-5, §11-60.1-90, §11-60.1-90)

2) Attachment IIA, Special Condition No. D.12:

- 12. The boilers, sugar dryer, and associated pollution control equipment shall be properly maintained and kept in good operating conditions at all times with scheduled inspections and maintenance as recommended by the manufacturer, and as needed.

(Auth.: HAR §11-60.1-3, §11-60.1-5, §11-60.1-90, §11-60.1-90)

3) Attachment IIA, Special Condition No. E.3:

3. Sugar Dryer

- a. The permittee shall install, operate, and maintain a weighing system for the measurement and recording of the weight of all specialty sugar produced in the food grade production line that is dried in the 20,000 lb/hr sugar dryer. Maintenance of the weighing system shall include regular calibration. Upon issuance of this permit, within sixty (60) days, the permittee shall submit copies of the measurement and records of the specialty sugar produced and dried in the 20,000 lb/hr sugar dryer during the busiest month of the year and a description of the sugar weighing procedure to the Department.

- b. The permittee shall continuously monitor and record the amount of specialty sugar dried in the 20,000 lb/hr sugar dryer on a daily basis. Any sugar dried and rejected prior to packaging shall also be included when calculating the amount of specialty sugar dried. Records shall also be maintained on the amount of specialty sugar dried in the 20,000 lb/hr sugar dryer per month and for the previous rolling twelve-month (12-month) period.

(Auth.: HAR §11-60.1-3, §11-60.1-5, §11-60.1-32, §11-60.1-90; 40 CFR §60.42(a)(2); SIP §11-60-24)²

4) Special Condition No. E.23:

23. Inspection, Maintenance, and Repair Log

An inspection, maintenance, and repair log shall be maintained for the equipment covered under this permit. Inspection and replacement of parts and repairs shall be well documented. At a minimum, the following records shall be maintained:

- a. The data the inspection/maintenance/repair work;
- b. A description of the part(s) inspected or repaired;
- c. A description of the findings and any maintenance or repair work performed; and
- d. The name and title of the personnel performing the inspection/work.

(Auth.: HAR §11-60.1-3, §11-60.1-5, §11-60.1-11, §11-60.1-90)

5) Attachment IIA, Special Condition No. F.8:

8. The permittee shall report **within five (5) business days** *any deviations from permit requirements*, including those attributable to upset conditions, the probable cause of such deviations and any corrective actions or preventative measures taken. Corrective actions may include a requirement for additional stack testing or more frequent monitoring, or could trigger implementation of a corrective action plan.

(Auth.: HAR §11-60.1-3, §11-60.1-15, §11-60.1-16, §11-60.1-16, §11-60.1-90; 40CFR §60.19; SIP §11-60-16)²

6) Attachment IIA, Special Condition No. F.11:

11. The permittee shall submit semiannually the following written report(s) to the Department. Each report shall be submitted within sixty (60) days after the end of each semi-annual reporting period (January 1 - June 30 and July 1 - December 31) and shall include the following:

- a. Fuel Oil Consumption and Certification; and
- b. Spec Used Oil Certification.
 - i. The total amount of spec used oil fired on a monthly and a rolling twelve-month (12-month) basis shall be recorded and submitted;
 - ii. A copy of two (2) different laboratory analysis of constituents/properties for in-house and commercial sources shall be submitted to the Department; and
 - iii. Burning used oil that has not been tested by an independent laboratory analysis is defined as non-compliance and is a violation to this permit.

c. Visible Emissions

Any opacity exceedances as determined by the required VE monitoring. Each exceedance reported shall include the date, six (6) minute average opacity reading, possible reason for exceedance, duration of exceedance, and corrective actions taken. If there were no exceedances, the permittee shall submit in writing a statement indicating that for each equipment there were no exceedances for that semi-annual period. The enclosed Monitoring Report Form: **Visible Emissions** shall be used.

d. Sugar Dryer Production

The enclosed Monitoring/Annual Emission Report Form: **Sugar Dryer Production** shall be used, signed, and dated by the responsible official. The permittee shall record the total amount of premium sugar dried on a monthly and twelve-month (12-month) rolling basis

e. Excess Emissions

For Boiler 3, excess emission and monitoring system performance (MSP) reports shall be submitted by the permittee to the Department and U.S. EPA, Region 9, Administrator semiannually for each six-month (6-month) period in the calendar year. All semiannual reports shall be postmarked by the 60th day following the end of each six-month (6-month) period. Each excess emission and MSP report shall include the information required in §60.7(c). The written report shall include the following:

- i. The magnitude of excess emissions computed in accordance with 40 CFR 60.13(h), any concurrent data, any conversion factors used, the date and time of commencement and completion of each time period of excess emissions, and corrective actions taken;
- ii. Specific identification of each period of excess emissions that occurs during startups, shutdowns, and malfunctions of the boiler. The nature and cause of any malfunction (if known) and the corrective action taken or preventative measures adopted, shall also be reported;

- iii. The date and time identifying each period during which CEMS was inoperable except for zero and span checks. The nature of each system repair or adjustment shall be described;
- iv. The report shall state if no excess emissions has occurred. The report shall also state if the CEMS operated properly during the period and was not subject to any repairs or adjustments except for zero and span checks; and
- v. For purposes of this Covered Source Permit, periods of excess emissions and monitoring systems (MS) downtime that shall be reported are defined as follows:

1) For opacity COMS:

For Boiler 3 (Stack 2) subject to the opacity standard of this attachment, Special Condition No. C.2, excess emissions are defined as any six-minute (6-minute) period during which the average opacity of emissions exceeds the twenty (20) percent opacity, except that one (1) six-minute (6-minute) average per hour of up to sixty (60) percent opacity need not be reported.

2) Boiler 3 excess emissions of sulfur dioxide while the CEMS are operating are defined as:

- a) For Boiler 3, electing not to comply with 40 CFR Part 60, Subpart D, §60.43(d), any three-hour (3-hour) period during which the average emissions, arithmetic average of three (3) contiguous one-hour (1-hour) periods of SO₂ as measured by a CEMS exceed the applicable standard in §60.43; or
- b) For Boiler 3, electing to comply with §60.43(d), any thirty-day (30-day) operating period during which the average emissions, arithmetic average of all one-hour (1-hour) periods during the thirty-day (30-day) operating period of SO₂ as measured by a CEMS exceed the applicable standard in §60.43. Boiler 3 complying with the thirty-day (30-day) SO₂ standard shall use the most current associated SO₂ compliance and monitoring requirements in §60.48D.a and §60.49D.a of Subpart Da of 40 CFR Part 60 or §60.45b and §60.47b of Subpart Db of Part 60, as applicable.

3) Boiler 3 excess emissions of nitrogen oxides while operating with CEMS are defined as:

- a) For Boiler 3, electing not to comply with 40 CFR Part 60 §60.44(e), any three-hour (3-hour) period during which the average emissions, arithmetic average of three (3) contiguous one-hour (1-hour) periods, exceed the applicable standards in §60.44.

- b) For Boiler 3, electing to comply with §60.44(e), any thirty (30) day operating period during which the average emissions, arithmetic average of all one-hour (1-hour) periods during the thirty (30) operating days of NO_x as measured by a CEMS exceed the applicable standard in §60.44. Compliance of Boiler 3 with the thirty (30) day NO_x standard shall use the most current associated NO_x compliance and monitoring requirements in §§60.48Da and §60.49Da of Subpart Da of 40 CFR Part 60.
- 4) For Boiler 3, excess emissions of particulate matter while using CEMS to measure are defined as follows:

If a CEMS for particulate matter is installed, excess emissions are defined as an operating day period during which the average emissions, arithmetic average of all operating one-hour (1-hour) periods, exceed the applicable standards in 40 CFR Part 60, §60.42. Affected facilities using PM CEMS must follow the most current applicable compliance and monitoring provisions in §§60.48Da and §60.49Da of Subpart Da of Part 60.

The enclosed Boiler 3 Excess Emissions and Monitoring System Performance Summary (EEMSPS) Report shall be used.

f. Boilers 1, 2, and 3 Fuels

The following enclosed forms shall be used for reporting and shall be signed and dated by a responsible official:

Monitoring/Annual Emissions Report Form: Boilers 1 and 2 Bagasse
Monitoring/Annual Emissions Report Form: Boiler 3 Bagasse
Monitoring/Annual Emissions Report Form: Boilers 1 and 2 Coal
Monitoring/Annual Emissions Report Form: Boiler 3 Coal

(Auth.: HAR §11-60.1-8, §11-60.1-15, §11-60.1-16, §11-60.1-90; 40 CFR §60.7, CFR §60.19; 40 CFR§60.45)

7) Attachment III, Section 1:

- 1. Annual fees shall be paid in full:
 - a. Within **one-hundred and twenty (120) days** after the end of each calendar year, and
 - b. Within **thirty (30) days** after the permanent discontinuance of the covered source.

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All other permit conditions of CSP No. 0054-01-C, issued on November 3, 2015, shall not be affected and shall remain valid.

If you have any questions, please contact Ms. Chenyan Song of the Clean Air Branch at (808) 586-4200.

Sincerely,

STUART YAMADA, P.E., CHIEF
Environmental Management Division

CS:rg